

**BY ORDER OF THE COMMANDER
42D AIR BASE WING (AETC)**

MAXWELL AFB INSTRUCTION 36-601

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Personnel

STUDENT LOAN REPAYMENT PROGRAM

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements AFPD 36-6, *Civilian Career Management*. It establishes policies and procedures for the Student Loan Repayment Program at Maxwell-Gunter AFB. Refer recommended changes and/or corrections to this publication to the Office of Primary Responsibility (OPR) using the AF Form 847, *Recommendation for Change of Publication*, through your chain of command. This instruction requires the collection and maintenance of information protected by the Privacy Act; authority: 5 U.S.C. 5379, *Student Loan Repayments*. System of Records Notice OPM/GOVT-1, *General Personnel Records*, applies. Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN) 33-363, *Management of Records*, and disposed of in accordance with the Air Force Records Information Management System (AFRIMS) Records Disposition Schedule (RDS) located at <https://www.my.af.mil/gcss-af61/afrims/afrims>. This publication applies to all Air University and 42d Air Base Wing Appropriated Fund personnel. The use of the name or mark of any specific manufacturer, commercial product, commodity, or service in this publication does not imply endorsement by the Air Force.

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1. Purpose.

1.1. The Student Loan Repayment Program (SLRP) authorizes approving officials to agree to repay all or part of any outstanding federally insured student loans on behalf of a current or prospective agency employee, to recruit or retain highly qualified personnel. Care should be observed in establishing service agreements to ensure they do not convey unintended obligations. The size of payment will be determined based on the value of the employee to the organization with consideration of how far in advance funds can be committed.

1.2. The intent of the SLRP is to help HQ AU/ 42 ABW recruit or retain individuals for Federal service. Therefore, it is not to be used to compete with other Federal agencies for employees. HQ AU/ 42 ABW will not use this authority to recruit current Federal employees from other agencies nor to retain an employee who is likely to leave for another position in any branch of the Federal Government (Title 5 Code of Federal Regulations [CFR] 537.105(c)).

1.3. The SLRP covers only loans taken out for a completed degree and will not cover loans taken out by an employee after employment to pay for courses toward a future degree.

2. Applicability. This program applies to all HQ AU/ 42 ABW entities within the HQ AU/ 42 ABW civilian pay system. The Program complies with requirements set forth by the Office of Personnel Management (OPM) and Department of Defense (DoD). Repayment is limited to outstanding federally-insured loans made by educational institutions or banks, and other private lenders as authorized by the *Higher Education Act of 1965* and the *Public Health Service Act*.

3. Definitions. See Attachment 1 for a listing of definitions of recurring special terms.

4. Eligibility.

4.1. SLRP is offered to facilitate the recruitment or retention of highly qualified employees who meet the eligibility criteria established in 5 CFR 537.104. The incentive may only be

paid if there has been a written determination by the approving official that, in the absence of student loan repayment, the organization would have difficulty filling the position or retaining an employee in that position. Student loan repayment may be used in conjunction with recruitment and relocation bonuses and retention allowances. SLRP may be used in conjunction with a physicians' comparability allowance (PCA), as applicable; however, 5 CFR 595.105(e) requires that the amount of the PCA be reduced by the amount of the student loan repayment.

4.2. Recruitment Incentive. Recruitment incentives are pre-employment agreements. Prior to entering on duty, the individual must sign a statement accepting or declining the student loan repayment incentive. SLRP paperwork processing for recruitment purposes will be completed within the first 30 days of employment, after which loan repayments become a retention incentive governed by the loan repayment retention incentive procedures. Therefore, requests for loan repayments based on recruitment will not be approved for employees already on duty. The recruitment documentation should state that, in the absence of student loan repayment, difficulty would be encountered in filling the position. Evidence of need may be based on:

4.2.1. The success of recent efforts to recruit suitable candidates for similar positions, including such indicators as availability and quality of candidates, offer acceptance rates, the proportion of positions filled, and/or the determination of the position as hard-to-fill.

4.2.1.1. Hard-to-fill positions are determined locally, although they may include positions approved by OPM for use of direct-hire authority under 5 CFR, Part 337, Subpart B. Management will be required to provide full justification for identifying a position as hard-to-fill. Employees being considered for the SLRP recruitment incentive will provide a letter from the loan holder verifying the existence of federally insured loan(s) and the balance remaining on the loan(s) to be included with management's request for repayment.

4.2.2. Recent turnover in the same or similar positions.

4.2.3. Labor market factors that affect the ability to recruit for similar positions.

4.2.4. Any special or unique competencies or qualifications needed.

4.2.5. This determination must be in writing and must document the criteria used to determine the amount of loan repayment benefits. Managers may consider the following criteria in deciding the amount:

4.2.5.1. The severity of the recruiting problem.

4.2.5.2. Salary levels reported in published salary surveys for comparable non-federal positions.

4.2.5.3. The importance/criticality of the position to be filled and the impact on the agency mission if it is not filled or if there is a significant delay in filling it.

4.2.5.4. Current salary of the candidate.

4.2.5.5. Salary documented in a competing job offer.

4.2.5.6. The disparity in cost of living between the candidate's current residence and the proposed duty station.

4.2.5.7. The projected cost of further recruitment effort if the candidate does not accept the position.

4.2.5.8. The extent of the individual's past education or training and experience that serves to qualify him/her for the position.

4.2.5.9. Budget availability.

4.3. Employee Retention. Retention loan repayment is not automatically approved; documentation should show adherence to merit system principles. Employees who have defaulted on student loans are excluded from this eligibility. The student loan repayment may be offered to highly qualified employees who meet one of the four eligibility factors listed below:

4.3.1. Highly qualified temporary employees serving on appointments leading to conversion to term or permanent appointments (i.e., provisional appointments).

4.3.2. Highly qualified permanent employees.

4.3.3. Highly qualified term employees with at least three years left on their appointment.

4.3.4. Highly qualified employees on excepted appointments with intended conversion to term, career, or career conditional appointments (including but not limited to Career Intern appointments). This does not apply to excepted employees occupying confidential, policy-determining, policy-making, or policy-advocating positions (i.e. Schedule C appointments).

4.3.5. Retention loan repayment must be based on the employee's unusually high or unique qualifications or the organization's need for the employee's services and special skills. Additionally, management must provide an assessment to show that in the absence of offering loan repayments, the employee is likely to leave HQ AU/ 42 ABW for a position outside of Federal service (see 4.3.5.2). Furthermore, the employee's performance must exceed his/her performance standards and be in a series that is deemed hard to fill or a "shortage" skill. When selecting employees as recipients, HQ AU/ 42 ABW shall consider both equitable treatment and diversity of the workplace. HQ AU/ 42 ABW must ensure that benefits are awarded without regard to political affiliation, race, color, religion, national origin, sex, marital status, age, or handicapping condition. Evidence of need may be based on the following:

4.3.5.1. Employee's unique or high qualifications or the special need for the employee's services that makes it essential to retain him/her.

4.3.5.2. The likelihood the employee would leave for employment outside federal service if he/she does not receive loan repayment benefits – evidence of job offer from a private firm is required.

4.3.5.3. The extent to which the employee's departure would affect HQ AU/42 ABW's ability to carry out an activity or perform a function that is deemed mission essential.

4.3.6. Determination for retention purposes must be in writing and must document the criteria used to determine the amount of the loan repayment benefit. Managers may consider the following criteria in recommending the amount for approval:

4.3.6.1. Salary levels reported in published salary surveys for comparable non-federal positions.

4.3.6.2. Salary documented in a competing job offer.

4.3.6.3. The importance/criticality of the position and the effect on the organization if the employee were to leave.

4.3.6.4. The projected cost of recruitment and training associated with replacement of the employee.

4.3.6.5. The length of service of the employee with HQ AU/42 ABW. New employees may not be considered for retention loan repayment during the first year of employment.

4.3.6.6. Budget availability.

4.4. Employees being considered for this SLRP retention incentive will provide a letter from the loan holder verifying the existence of federally insured loan(s) and the balance remaining on the loan(s) in accordance with the *Higher Education Act of 1965* and the *Public Health Service Act*. The employee must submit this evidence to the manager/supervisor for inclusion with the written documentation.

4.5. United States citizenship is a requirement for participation in the HQ AU/ 42 ABW SLRP.

5. Loss of Eligibility.

5.1. Employee will lose eligibility if the following occurs:

5.1.1. Voluntary termination of employment with HQ AU/42 ABW or transfer to a non-HQ AU/ 42 ABW organization (prior to 3-year commitment).

5.1.2. Demotion or involuntary separation for reasons of misconduct or performance.

5.1.3. Failure to maintain an acceptable level of performance. An acceptable level of performance is one that is equivalent to level 3 ("Fully Successful" or equivalent) or higher, as described in 5 CFR 430.208(d). An employee loses eligibility for student loan repayment benefits if his or her most recent official performance evaluation does not meet this requirement.

5.1.4. Documented leave without pay (LWOP). Periods of LWOP will result in a corresponding loss in loan repayment benefits unless the loan approving official extends the service agreement to cover "make-up" payments; approving official may also approve exceptions for employees returning from uniformed service or full recovery from compensable injury.

5.1.5. In the case of loan repayment for retention, HQ AU/ 42 ABW may terminate the service agreement when conditions change such that the original determination to pay the retention incentive no longer applies (such as when the employee is voluntarily reassigned (self-nominates) to a different position within HQ AU/ 42 ABW that is not

within the terms of the service agreement). In this case, the employee is entitled to retain any retention incentive payment attributable to completed service and to receive any portion of a retention incentive payment owed by the agency for completed service.

5.1.6. Violation, in any way, of the terms of the agreement.

5.2. Under any of these circumstances, employees are required to reimburse HQ AU/ 42 ABW for the entire amount of all loan repayments considered as taxable wages that the organization has made.

5.3. Under any of these circumstances, HQ AU/ 42 ABW must notify the employee in writing when it terminates a retention service agreement. Termination of the retention agreement is not grievable or appealable.

6. Approval Authority. The authority to approve repayment of student loans has been delegated to the 42 ABW/CC and/or the HQ AU/DS.

7. Payment Amounts.

7.1. Each fiscal year the Civilian Personnel Panel will determine whether funding is available to support this program and if so, will determine what percentage of the civilian pay budget will be allocated to support it.

7.2. The amount paid may not exceed the maximum statutory limitation per calendar year (currently \$10,000) before taxes are withheld. The maximum statutory lifetime provision is limited to \$60,000 per employee.

7.3. HQ AU/42 ABW may repay more than one loan on behalf of the employee, provided the payments do not exceed the legal prescribed total limits.

7.4. The amount of the total loan repayment must be requested by the hiring official, coordinated through identified channels, and approved by HQ AU/DS or 42 ABW/CC. The size of the payment is determined based on the value of the employee to the organization's mission with consideration of how far in advance funds can be committed.

7.5. AU/FM must certify funds availability prior to rendering final approval.

8. Service Agreement.

8.1. A student loan repayment is made under the terms, limitations and conditions of a written service agreement between HQ AU or 42 ABW and the employee for employment with the organization of not less than three years. When appropriate, an agreement requiring a period of service beyond the statutory minimum of three years may be necessary to fulfill critical mission requirements. The service commitment begins on the date stated in the service agreement; the beginning date may not be earlier than the date the service agreement is signed or earlier than the date the individual begins serving in the position for which he or she was recruited (when student loan repayment benefits are approved to recruit a job candidate to fill an agency position). A copy of the service agreement will be provided to the Defense Finance and Accounting Service (DFAS). Use the MAXWELLAFB Form 384, *Program Service Agreement*, to document these actions.

8.2. For each year of loan repayment, a three-year service agreement will remain in effect. For example, in first year of employment (2009), employee receives \$X amount in loan repayment and commits to a three-year service agreement to 2012. Second year of

employment (2010), employee receives \$X amount in loan repayment and commits to an additional year of service to 2013. Third year of employment (2011), employee receives \$X amount in loan repayment and commits to an additional year of service to 2014. The number of years of loan repayment depends upon the student loan balance amount and funds availability.

8.3. When an amended service agreement is made on behalf of the employee, 42 FSS/FSMC shall provide a copy to DFAS and notify HQ AU/FM to ensure that the size and duration of the payments to the loan holder are adjusted. 42 FSS/FSMC will maintain a copy of the service agreement for 2 years and forward to AFPC Staffing Team for profiling in the employee's OPF. The incentive is additional to basic pay and any other form of compensation payable to the employee.

8.4. Prior to entry into the service agreement, 42 FSS/FSMC must verify that the employee has a qualifying student loan that meets one of the federally-insured loans authorized by the *Higher Education Act of 1965* or the *Public Health Service Act*.

8.5. HQ AU/42 ABW are not responsible for any late fees or penalties assessed by the loan holder(s) prior to, during, or subsequent to this agreement. HQ AU/ 42 ABW shall not authorize payments to cover accrued penalties associated with the loan(s).

9. Repayment Procedures. Once the loan repayment has been approved, payments begin when the parties enter into a service agreement and not before the employee enters on duty. 42 FSS/FSMC will notify AU/FMA that an employee will be receiving a student loan repayment and provide a copy of the appropriate documentation. 42 FSS/FSMC will notify DFAS and send a fax with appropriate documentation. DFAS will make payments to the lender on a biweekly basis. DFAS will calculate the amount to be paid out each pay period to the loan company and will cease payment when the authorized amount has been reached. The loan repayment amount is income to the employee and will be taxed. Tax withholding will be made on a biweekly basis. Periods of LWOP may impact these payments.

10. Reimbursement to HQ AU/42 ABW.

10.1. Individuals who fail to complete their service agreements are required to reimburse HQ AU/ 42 ABW for the entire amount of all benefits received unless involuntarily separated for reasons other than misconduct or performance. Employees who do not complete their period of service under the terms of the service agreement are subject to the debt collection process as outlined by 5 CFR 537. (This debt collection would not apply to employees who leave one local HQ AU/ 42 ABW organization and complete the remaining period of service within another local HQ AU/ 42 ABW after first obtaining 42 FSS/FSMC approval).

10.2. Under extraordinary circumstances, the applicable approval authority (AU/DS or 42 ABW/CC), may waive the recovery of an employee's debt, in whole or in part, if he/she determines that recovery would be against equity and good conscience, or the public interest. 42 FSS/FSMC will thoroughly evaluate requests for waivers on a case-by-case basis and submit to the applicable approval authority (AU/DS or 42 ABW/CC) for final review and approval.

11. Documentation and Reporting Requirements.

11.1. Justification for each student loan repayment incentive will be documented and records maintained in accordance with 5 CFR 537.110 (reference (c)). Documentation shall include any and all information gathered in determining eligibility, including verification that the employee's outstanding student loan qualifies for repayment. The records for each repayment request that is approved or disapproved along with the submitted documentation must be retained at AFPC for a three-year period after expiration of the service agreement.

11.2. HQ AU/FMA records maintained on a fiscal year basis shall verify the number of employees receiving the loan repayment incentive, the job classification of each recipient, and the total cost of the SLRP incentive.

11.3. Upon request, AFPC/DPI will provide Air Force with an annual fiscal year report containing these data.

12. Responsibilities.

12.1. Assistant Secretary of the Air Force has delegated student loan repayment authority and approval authority for waivers on debt collection on reimbursement of student loan repayments to the installation commander.

12.2. The Civilian Personnel Element (CPE) shall:

12.2.1. Advise management on the proper use of the SLRP.

12.2.2. Coordinate loan repayment requests from management through 42 FSS/FSMC, HQ AU/JA or 42 ABW/JA and finally to AU/FM, before forwarding approved package to AFPC/DFAS for processing.

12.2.3. The CPE will fax the completed, approved SLRP Service Agreement to the Indianapolis payroll offices and the appropriate AFPC Career Field Actions team responsible for servicing Maxwell-Gunter AFB. The payroll office phone numbers can be used to start or stop student loan repayments. The employee's SSAN should be clearly indicated on the service agreement or on any related documentation.

12.2.4. Each fiscal year, CPEs must create and submit a complete Request for Personnel Action (RPA) (including NOA 817, signature, and remarks) for each employee authorized to receive student loan repayment benefits in that fiscal year to the appropriate AFPC Staffing Team inbox. The CPE must submit an NOA code 817 for an employee upon the initial authorization of these benefits and in any subsequent fiscal year in which benefits are authorized to be paid. If student loan repayment benefits are not authorized to be paid in a subsequent fiscal year, the agency does not need to submit an NOA code 817 for that fiscal year, even if the employee has not yet fulfilled the service agreement. This will allow CPEs to identify who is receiving a loan repayment and eliminate the necessity to track manually at base level for reporting purposes.

12.2.5. The CPE will advise the employee that the entitlement will be reflected as "Foreign Language Proficiency Pay" on his/her Leave and Earnings Statement (LES) and that the loan payment will be reflected on the LES as a "Non-DoD Voluntary Indebtedness" deduction in the exact amount of the entitlement.

12.2.6. The CPE will advise the employee that the entitlement is taxable. Since the payment to the lender will be the full amount of the entitlement, taxes will be withheld from the employee's regular bi-weekly wages.

12.2.7. The CPE will advise the servicing payroll office in writing of any changes to or termination of the repayment agreement. For centrally managed intern programs (PALACE Acquire/Copper Cap), the CPE will forward a written request to AFPC/DPIFR for exception to loss of eligibility due to LWOP and advise servicing payroll office in writing of the decision. Any changes will be incorporated on the pay period following receipt by the servicing payroll office. Retroactive deductions will not be made.

12.2.8. The CPE will notify the servicing payroll office when it is necessary to initiate action to recover repayment amounts in those cases where the employee is required to reimburse DoD for payments already made.

12.3. Managers and Supervisors:

12.3.1. Submit written documentation requesting approval of the student loan repayment that meets the requirements stated in this Directive to the CPE for processing.

12.3.2. Obtain from the candidate/employee a letter from the loan holder verifying the existence of, and the balance remaining on, the qualifying outstanding loan to be included with the written documentation.

12.4. Civilian Payroll Office Responsibilities:

12.4.1. The servicing payroll office will process the Student Loan Repayment Agreement upon receipt. The office will systematically track documentation to start or stop repayments, in Remedy and/or Imaging.

12.4.2. The servicing payroll office will ensure the remarks portion of the employee's LES includes the notice that the entitlement will be reflected as "Foreign Language Proficiency Pay" on the LES and that the loan payment will be reflected on the LES as a "Non-DoD Voluntary Indebtedness" deduction in the same amount as the entitlement.

12.4.3. DFAS will make payments to the lender identified in the Repayment Agreement. The loan repayment amount will be considered as taxable wages, and tax withholding will be made from the employee's regular bi-weekly wages. The first payment will be made on the second pay period following receipt of the completed agreement by the servicing payroll office.

12.4.4. Upon notification from the CPE that the employee is required to reimburse DoD for the loan repayments made, the payroll office will take action to recover the full amount of payments made prior to the separation in accordance with the provisions of DoD 7000.14-R, *DoD Financial Management Regulations (DoDFMR)*, Volume 8.

12.5. DFAS will maintain student loan repayment data on a fiscal year basis that include:

12.5.1. The number of employees selected to receive benefits;

12.5.2. The job classification of the employees selected to receive benefits; and

12.5.3. The aggregate total of the benefits provided by the DoD.

13. Forms.**13.1. Adopted:**

AF Form 847, *Recommendation for Change of Publication*

13.2. Prescribed:

MAXWELLA36 Form 383, *Loan Repayment Program Outstanding Loan Information*

MAXWELLA36 Form 384, *Program Service Agreement*

BRIAN M. KILLOUGH, Colonel, USAF
Commander

Attachment 1

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

*References**Higher Education Act of 1965**Public Health Service Act**5 CFR 337, Examining System**5 CFR 537, Repayment of Student Loans**5 CFR 595, Physicians' Comparability Allowances**5 U.S.C. 5379, Student Loan Repayments**DoD 7000.14-R, DoD Financial Management Regulations (FMRS)**AFPD 36-6, Civilian Career Management**Abbreviations and Acronyms***ABW**—42d Air Base Wing**AETC**—Air Education and Training Command**AFPC**—Air Force Personnel Center**CPE**—Civilian Personnel Element**DFAS**—Defense Finance and Accounting Service**GS**—General Schedule**HQ AU**—Headquarters Air University**LES**—Leave and Earnings Statement**LWOP**—Leave Without Pay**OPM**—Office of Personnel Management**PCA**—Physicians' Comparability Allowance**SLRP**—Student Loan Repayment Program*Terms***Air University**—Parent organization that encompasses Air University schools/Centers and the 42d Air Base Wing.**Employee**—The meaning given that term in Title 5, United States Code 2105, except it does not include an employee occupying a position which is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character (i.e., employees serving under Schedule C appointments).

Service Agreement—A written agreement between an agency and an employee under which the employee agrees to a specified period of employment with the Agency of not less than three years, in return for payments toward a student loan previously taken out by the employee.

Student Loan—A loan made, insured, or guaranteed under parts B, D, or E of Title IV of the Higher Education Act of 1965; or

A health education assistance loan made or insured under Part A of Title VII of the Public Health Service Act, or under Part E of Title VIII of that Act.

Schedule C—Positions that are excepted from the competitive service by statute, the President, or the Office of Personnel Management. These positions have policy-determining responsibilities or require the incumbent to serve in a confidential relationship to a key official. Appointments are made without competition and employees in Schedule C positions are subject to removal at the discretion of the administration or appointing official.

Attachment 2**QUALIFYING LOANS FOR REPAYMENT OF STUDENT LOAN INCENTIVE**

The *Higher Education Act of 1965* covers three families of loans, such as:

A2.1. Federal Family Education Loans (FFEL)

- A2.1.1. Subsidized Federal Stafford Loans
- A2.1.2. Unsubsidized Federal Stafford Loans
- A2.1.3. Federal Plus Loans
- A2.1.4. Federal Consolidation Loans

A2.2. William D. Ford Direct Loan Programs (Direct Loans)

- A2.2.1. Direct Subsidized Stafford Loans
- A2.2.2. Direct Unsubsidized Federal Stafford Loans
- A2.2.3. Direct PLUS Loans
- A2.2.4. Direct Subsidized Consolidation Loans
- A2.2.5. Direct Unsubsidized Consolidation Loans

A2.3. Federal Perkins Loan Program

- A2.3.1. National Defense Student Loans (made before July 1, 1972)
- A2.3.2. National Direct Student Loans (made between 7/1/72 and 7/1/87)
- A2.3.3. Perkins Loans (made after July 1, 1987)

A2.4. Loans covered under the *Public Health Service Act* include:

- A2.4.1. Loans for Disadvantaged Students (LDS)
- A2.4.2. Primary Care Loans (PCL)
- A2.4.3. Nursing Student Loans (NSL)
- A2.4.4. Health Profession Student Loans (HPSL)
- A2.4.5. Health Education Assistance Loans (HEAL)

Attachment 3

SAMPLE MEMORANDUM TO 42 FSS/FSMC REQUESTING STUDENT LOAN
REPAYMENT

(Type on HQ AU or 42 ABW Letterhead)

MEMORANDUM FOR 42 FSS/FSMC

SUBJECT: Request for Student Loan Repayment

On behalf of **Name**, I am requesting approval for a student loan repayment incentive. **Name** was assigned to **Organization**, **Office**, on **Date**. This student loan repayment request is based on recruitment/retention of **Name**.

Justification for loan repayment: The student loan repayment is necessary to honor **his/her** recruitment condition **or** ensure **his/her** retention. **Name** has specific educational and/or experience credentials that are needed in the **Office**. The loss of **Name** services would cause HQ AU/42 ABW to incur additional recruitment and training costs and jeopardize program accomplishments. The student loan repayment incentive is further justified to provide the opportunity for **his/her** conversion to a permanent career status appointment within the Agency. The technical skills and experience **he/she** possesses are in high demand within the local labor market, and recruitment/retention of this individual for work within HQ AU/42 ABW will substantially improve the Agency's diversity programs and promote enhanced succession planning.

Agreement: I have discussed the conditions for loan repayment with **Name** and **he/she** has signed the Student Loan Repayment Service Agreement to complete a minimum of three years service to HQ AU/42 ABW.

Amount: I request **Name** be afforded \$ _____ or the maximum allowable repayment amount for calendar year ____.

Approved: _____

Disapproved: _____

Attachment:
Student Loan Repayment Package

Attachment 4**ADMINISTRATIVE PROCEDURES****A4.1. Procedures for Interns:**

A4.1.1. Determine if the loan is a “qualifying” loan from the list provided in attachment 2.

A4.1.2. Obtain a letter or loan balance sheet from the loan holder verifying the existence of the federally-insured loan(s) to include all information stipulated in attachment 3.

A4.1.3. Submit a completed application (MAXWELLAFB Form 383, *Loan Repayment Program Outstanding Loan Information*) to your supervisor and attach the information from the loan holder.

A4.1.4. Discuss the Student Loan Repayment Service Agreement with your supervisor to determine the amount to be paid and the period of employment (not less than three years) with HQ AU/42 ABW that will be required.

A4.2. Procedures for Recommending Officials (Supervisors):

A4.2.1. Upon receipt of employee’s student loan repayment request, determine if the employee’s request meets the established criteria for authorizing the incentive.

A4.2.2. Prepare a written determination that, in the absence of the student loan repayment, the organization would encounter difficulty in filling the position or retaining the employee in that position (use Memorandum to 42 FSS/FSMC for this determination and stipulate recruitment or retention with appropriate justification).

A4.2.3. Determine the size of the payments and discuss with employee.

A4.2.4. Submit a completed package (Memorandum to Air University/HR requesting student loan repayment, employee’s application, loan information, information from the loan holder, and service agreement) to 42 FSS/FSMC.

A4.3. Procedures for Human Resource Officials:

A4.3.1. Verify that the employee has a “qualifying” student loan and review employee’s documentation for completeness.

A4.3.2. Obtain appropriate signatures on all documentation.

A4.3.3. Discuss the conditions of the SLRP with the employee and obtain 42 FSS/FSMC signature on the Student Loan Repayment Service Agreement.

A4.3.4. Provide a copy of the Student Loan Repayment Service Agreement (or Amended Agreement) to the Defense Finance and Accounting Service (DFAS) and retain original application in employee’s eOPF.

A4.3.5. Ensure that the justification for each student loan repayment incentive is documented and records are maintained. Maintain original application in 42 FSS/FSMC files.

A4.3.6. Send copy of approved package to Air University/FSMC civilian payroll administrator.

A4.3.7. Notify applicant and supervisor that request has been approved or disapproved.